

~~SECRET~~

DDIR # 400-62

July 27, 1962

MEMORANDUM FOR: Deputy Director of Central Intelligence

SUBJECT : Fund and Personnel Allowances - FY 1964

REFERENCES : (a) Memo dtd 25 July 62 for DDCI from Compt, subj: Fund and Personnel Allowances - FY 1963
(b) Letter to Mr. Bell, Director of the BOB, signed by General Carter (Top Secret)

1. This memorandum requests approval on the part of the Deputy Director of Central Intelligence. Such action is contained in paragraph number 8.

2. Preparation of the FY 1964 Budget must begin as soon as possible. The FY 1964 Budget will be based upon fund and personnel allowances approved in reference (a), and reflect the Agency policy for holding the line to the FY 1963 level as set forth in reference (b) and subsequent conversations with the Bureau of the Budget i.e., "we propose, as a matter of policy, to make every effort to stabilize the CIA fund requirements at the level of our Congressional Submission for Fiscal Year 1963".

3. Accordingly, with your approval, Deputy Directors and Office Heads will be advised to prepare their FY 1964 budget so as not to exceed the FY 1963 level. (Attached are listings of those items which the Deputy Directors feel cannot be accommodated within the FY 1963 level. These listings represent general projections only, and it is possible, given careful review of our priorities, exclusion of lesser priority functions, and some reprogramming, that many of the listed items and/or other new activities can be undertaken in FY 1964 within the fund level of FY 1963.)

4. It is proposed to except from the ceiling specific special projects of the Deputy Director (Research) and increased costs which may occur from the [REDACTED]

25X1A

~~SECRET~~

GROUP 1
Excluded from automatic
downgrading and
declassification

- 2 -

5. There are also other items which need to be considered for possible inclusion in the FY 1964 Budget submission. These items would have the effect of exceeding the FY 1963 Congressional Budget level.

a. The original concept for NPIC operations involved a gradual expansion of personnel and related costs for that organization through FY 1963 and 1964. We are, therefore, proposing that the programmed expansion of NPIC be permitted, and that the additional requirements of personnel and funds be budgeted for in the FY 1964 submission rather than being absorbed by the Agency within the FY 1963 level. || ✓

25X1A1a

b. The FY 1963 budget provides for [] for Task Force "W". During FY 1963 we are anticipating requesting a release from the Reserve for Contingencies estimated at [] to accommodate requirements for FY 1963 for that program. It is difficult to determine whether requirements for FY 1964 for Task Force "W" will be above the [] provided in our FY 1963 base. If this issue can be determined prior to the budget submission we would recommend making provision in our FY 1964 submission for the increase involved. || ✓

25X1A1a

c. There are also proposed expansions in the tentative thinking stages within the Deputy Director (Research) area /ELINT and R&D/. No provisions for such expansions have been made within the FY 1963 allowance levels, nor do the proposed programs fall within the category of items outlined in paragraph 4. above. Wherever possible, a determination should be made as to whether these program expansions will be approved within the FY 1963 level. ||

6. We also propose to request in the FY 1964 Budget the replenishment of the Reserve for Contingencies. Given the carry forward of unobligated balances from prior years, we estimate the current reserve level to be about []. We would expect withdrawals in FY 1963 to amount to approximately [] leaving [] to carry forward in to FY 1964. In practice, the amount estimated to restore the reserve level to an agreed upon figure is deferred until shortly before the inclusion of final estimates in the President's budget to Congress. It is proposed that the Reserve for Contingencies level should be maintained at a [] level. Based on this, a new appropriation of [] would be needed in FY 1964.

25X1A1a
25X1A1a

25X1A1a
25X1A1a

SECRET

SECRET

- 3 -

7. As in the instance of funds, it is proposed that Agency Offices, except as specifically authorized, be held in their FY 1964 Budget submission to the allowances for personnel approved in reference a.

8. It is recommended that:

a. The Comptroller prepare the FY 1964 Budget within the levels approved for FY 1963 (reference a) with the exception of those programs covered in paragraph 4. above.

b. The Comptroller be authorized to include in the FY 1964 Budget an amount to restore the Reserve for Contingencies to a level of

25X1A1a

c. Except as specifically authorized, components be held in their FY 1964 Budget submission to personnel levels approved for FY 1963 (reference a).

d. NPIC be authorized to budget for the funds and personnel needed to meet the program levels established for that organization.

e. Task Force "W", insofar as possible, ascertain the level of activity required for FY 1964 and that wherever this activity exceeds the money in the current base, provision be made for budgeting therefor in the FY 1964 Budget.

25X1A

Comptroller

Attachments

Recommendation in paragraph 8. is approved:

MARSHALL S. CARTER
Deputy Director

Date

Distribution:

Original - Comptroller
1 - DDCI
1 - Exec. Reg. w/o attachments
2 - Budget Division

SECRET